



Mitchell E. Daniels, Jr., Governor  
State of Indiana

**Office of Medicaid Policy and Planning**  
MS 07, 402 W. WASHINGTON STREET, ROOM W382  
INDIANAPOLIS, IN 46204-2739

May 29, 2008

To members of the Presumptive Eligibility Advisory Group (and related stakeholders):

On April 23 OMPP sent a memo to you regarding the status of implementing a presumptive eligibility policy for Medicaid. In retrospect, the communication we provided did not provide sufficient clarity or context. As a result, our decision has been broadly and inappropriately interpreted. Recently, several newspapers across the state ran an AP story that further confused the issue and distorted FSSA/OMPP's position on early prenatal care. I have responded to that article, and also want to take this opportunity to provide additional detail regarding the prior communication and our policy objectives for prenatal care. Simply stated, FSSA is not satisfied with the current status of prenatal care and has been actively engaged in quality improvement efforts.

First, it is worth detailing the recent actions that FSSA has taken to improve the number of healthy babies born to Medicaid mothers, the single most important priority for its Hoosier Healthwise program. In 2007, FSSA emphasized the importance of early prenatal care by including it foremost in its annual quality strategy. Consequently, targeted bonus payments became available to the managed care organizations (MCO) serving this program for improved performance. The Office of Medicaid Policy and Planning (OMPP) created a quality improvement committee composed of OMPP, MCO, and community stakeholders. Based on the group's efforts to identify barriers and propose solutions, Medicaid has moved forward with a plan to reduce smoking among pregnant women and has recently developed a single risk-assessment form to be used by providers for early identification of risk factors for complicated pregnancies. FSSA also recognizes the importance of measuring results to ensure the efforts are leading to the anticipated outcomes. For this reason every month the agency tracks the percentage of women receiving prenatal care early in pregnancy. Our goal is to increase the number and percentage seen during the first trimester.


It is extremely important to clarify the definition of "presumptive eligibility (PE)," a policy requirement stemming, as you know, from legislation last year. It has been stated that PE would "make it easier for those women to get prenatal care, since Medicaid would cover the cost of their examinations from the moment they first visit a doctor's office, rather than having to wait for the Family and Social Services Administration to grant the approval weeks later." Although this was the initial understanding of FSSA, and appears to have been the intent of the legislature,



this is not how the Federal government mandates PE programs. To comply with the Federal rule, a pregnant woman would be required to present herself in person to limited qualified enrollment providers, demonstrate positive proof of pregnancy, self-attest that she was low income, and complete an application for traditional Medicaid services. Alternatively, if she first presents herself to a personal obstetrician or family practitioner, who are not considered a qualified enrollment provider, she would not be presumed eligible. This does little to improve the current Medicaid policy that pays providers for services to Medicaid eligible women delivered up to three months prior to their application date.

Upon learning the details of how PE would need to be implemented in Indiana, OMPP did not feel the plan would have the desired effect consistent with the intent of the law. In review of PE programs nationally, there is little evidence to suggest that PE *alone* reduces the risk of adverse birth outcomes, but needs to be coupled with other efforts. The memo sent from our office was directed to the group that was developing an implementation plan and intended to halt that work (and costs associated with it). Thus, it was OMPP's intent to step back and assess how best to address the challenges to early prenatal care, including continuing to evaluate how to implement a presumptive eligibility policy in concert with other needed system changes.

OMPP will be meeting with stakeholders in the coming weeks to further discuss this topic. This feedback, along with the continued work of our quality improvement committee, will lead to a multifaceted strategy to address prenatal care and healthier babies across the State. I hope that by trying to clarify a complex issue and policy change, the group has a better appreciation for where OMPP is and recognizes our commitment to improving access to early prenatal care and neonatal outcomes.



Jeffrey M. Wells, MD

Director of Medicaid

Indiana Family & Social Services Administration